



(BILLING CODE 3510-P)

DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-912]

Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Final Results of Antidumping Duty Administrative Review and New Shipper Review; 2015-2016

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that Weihai Zhongwei Rubber Co., Ltd., a manufacturer/exporter of certain new pneumatic off-the-road tires (OTR tires) from the People's Republic of China (China), sold subject merchandise in the United States at prices below normal value during the period of review (POR). Additionally, we determine that Guizhou Tyre Co., Ltd. and its affiliate are ineligible for separate rate status. Finally, the new shipper review with respect to The Carlstar Group LLC, the producer Carlisle (Meizhou) Rubber Manufacturing Co., Ltd., and its affiliated exporter CTP HK has been rescinded.

DATES: APPLICABLE [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Alex Rosen AD/CVD Operations, Office III, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone (202) 482-7814.

SUPPLEMENTARY INFORMATION

Background

On October 10, 2017, Commerce published its *Preliminary Results* of the antidumping duty administrative review (AR) and new shipper review (NSR).¹ On December 11, 2017, in accordance with section 751(a)(3)(A) of the Tariff Act of 1930, as amended (the Act), Commerce extended the period for issuing the final results of this review by 60 days, to April 9, 2018.² On January 23, 2018, Commerce exercised its discretion to toll all deadlines affected by for the duration of the closure of the Federal Government from January 20 through 22, 2018. As a result, the period for issuing the final results of this review by Commerce has been extended to April 11, 2018³

In accordance with 19 CFR 351.309, we invited interested parties to comment on the *Preliminary Results*, as well as information provided to the record subsequently. We received case briefs from The United Steel, Paper and Forestry, Rubber, Manufacturing, Energy, Allied Industrial and Service Workers International Union, AFL-CIO-CLC (the petitioners), the mandatory AR respondents Weihai Zhongwei Rubber Co., Ltd. (Zhongwei) and GTC,⁴

¹ See *Certain New Pneumatic Off-the-Road Tires From the People's Republic of China: Preliminary Results of Antidumping Duty Administrative Review and Preliminary Rescission of New Shipper Review; 2015–2016*, 82 FR 46965 (October 10, 2017) (*Preliminary Results*) and accompanying “Decision Memorandum for Preliminary Results of the Antidumping Duty Administrative Review and Preliminary Recession of New Shipper Review: Certain New Pneumatic Off-the-Road Tires from the People's Republic of China; 2015-2016,” dated October 2, 2017 (Preliminary Decision Memorandum).

² See memorandum, “Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Extension of Deadline for Final Results of Antidumping Duty Administrative Review and New Shipper Review; 2015-2016,” dated December 11, 2017.

³ See memorandum, “Deadlines Affected by the Shutdown of the Federal Government” (Tolling Memorandum), dated January 23, 2018. All deadlines in this segment of the proceeding have been extended by 3 days.

⁴ In the initial investigation, Commerce collapsed Guizhou Tyre Co., Ltd. and Guizhou Tyre Import and Export Corporation (GTCIE) into a single entity, see *Certain New Pneumatic Off-The-Road Tires From the People's Republic of China; Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination*, 73 FR 9278, 9283 (February 20, 2008), unchanged in *Certain New Pneumatic Off-The-Road Tires from the People's Republic of China: Final Affirmative Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances*, 73 FR 40485 (July 15, 2008). This decision is unchallenged in the instant review; thus, Commerce continues to treat GTC and GTCIE as a single entity (collectively, GTC).

interested party Valmont Industries Inc., and NSR respondent Carlstar.⁵ We received rebuttal briefs from the petitioners, Zhongwei, and Carlstar. For a further discussion of the events that occurred in this investigation subsequent to the *Preliminary Results*, see the Issues and Decision Memorandum.⁶

Scope of the Order

The merchandise covered by this order includes new pneumatic tires designed for off-the-road and off-highway use, subject to certain exceptions. The subject merchandise is currently classifiable under Harmonized Tariff Schedule of the United States (HTSUS) subheadings: 4011.20.10.25, 4011.20.10.35, 4011.20.50.30, 4011.20.50.50, 4011.61.00.00, 4011.62.00.00, 4011.63.00.00, 4011.69.00.00, 4011.92.00.00, 4011.93.40.00, 4011.93.80.00, 4011.94.40.00, and 4011.94.80.00. The HTSUS subheadings are provided for convenience and customs purposes only; the written product description of the scope of the order is dispositive. For a complete description of the scope of the order, see the Issues and Decision Memorandum.

Analysis of Comments Received

All issues raised in the case and rebuttal briefs filed by parties in this review are addressed in the Issues and Decision Memorandum, which is hereby adopted by this notice. A list of the issues that parties raised and to which we responded in the Issues and Decision Memorandum is attached in the Appendix to this notice. The Issues and Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's

⁵ The NSR was requested by Carlstar Group LLC (formerly dba CTP Transportation Products) (Carlstar Group), a U.S. producer, importer and seller of subject merchandise; concerning merchandise produced by Carlisle (Meizhou) Rubber Manufacturing Co., Ltd. (Carlisle Meizhou), its affiliated producer of OTR tires from China, and exported by CTP Distribution (HK) Limited (CTP HK), an affiliated trading company located in Hong Kong (collectively, Carlstar).

⁶ See memorandum, "Issues and Decision Memorandum for Final Results of Antidumping Duty Administrative Review and New Shipper Review: Certain New Pneumatic Off-the-Road Tires from the People's Republic of China; 2015-2016," adopted by and dated concurrently with this notice (Issues and Decision Memorandum).

Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS).

ACCESS is available to registered users at <http://access.trade.gov> and it is available to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Issues and Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/index.html>. The signed Issues and Decision Memorandum and electronic version of the Issues and Decision Memorandum are identical in content.

Rescission of the New Shipper Review

In accordance with 19 CFR 351.214(c), an exporter or producer may request an NSR within one year of the date on which subject merchandise was first entered, or withdrawn from warehouse, for consumption, or, if the exporter or producer cannot establish the date of the first entry, then the date on which it first shipped the merchandise for export to the United States.

As discussed in the Issues and Decision Memorandum and NSR Rescission Memorandum, Commerce finds that Carlstar's request for a new shipper review was not timely filed within one year of the date the subject merchandise produced and exported by Carlstar's predecessor was first entered into the United States, pursuant to 19 CFR 351.214(c).⁷ As a result, we determine that Carlstar's request did not meet the requirements of 19 CFR 351.214(c), and are rescinding the new shipper review for Carlstar. Because much of the factual information used in our analysis involves business proprietary information, a full discussion of the basis for our determination is set forth in the NSR Rescission Memorandum.

⁷ See memorandum, "New Pneumatic Off-the-Road Tires from the People's Republic of China: Final Analysis of Comments Regarding the Determination to Rescind the New Shipper Review," dated concurrently with this memorandum (NSR Final Rescission Memorandum).

Separate Rates

In the *Preliminary Results*, we determined that Zhongwei, as well as two separate rate applicants, Qingdao Qihang Tyre Co. Ltd. (Qihang) and Shandong Zhentai Group Co., Ltd. (Zhentai), were eligible for separate-rate status. We also preliminarily determined that GTC, as well as separate rate applicant Cheng Shin Rubber Industry Ltd. (Cheng Shin), and non-responsive respondent Qingdao Milestone Tyres Co. Ltd. (Milestone), were not eligible for a separate rate, and are, thus, part of the China-wide entity.⁸ We received no information since the issuance of the *Preliminary Results* that provides a basis for reconsidering these determinations, therefore, for the final results we continue to find that Zhongwei, Qihang, and Zhentai are eligible for separate rates and that GTC, Cheng Shin, and Milestone are ineligible for separate rates. Additionally, as a result of Commerce's rescission of the new shipper review with respect to Carlstar, and because Carlstar did not submit a separate rate application in the administrative review, it has not been granted a separate rate. For further discussion, *see* Issues and Decision Memorandum at Comments 1 and 2.

Rate for Non-Individually-Examined Separate Rate Companies

The statute and Commerce's regulations do not address the establishment of a rate to be assigned to respondents not selected for individual examination when Commerce limits its examination of companies subject to the administrative review pursuant to section 777A(c)(2)(B) of the Act. Generally, Commerce looks to section 735(c)(5) of the Act, which provides instructions for calculating the all-others rate in an investigation, for guidance when calculating the rate for respondents not individually examined in an administrative review. Section 735(c)(5)(A) of the Act articulates a preference for not calculating an all-others rate using rates

⁸ *See Preliminary Results*, 82 FR at 46966, and accompanying PDM at the "Separate Rate Analysis" section.

which are zero, *de minimis*, or based entirely on facts available.⁹ Accordingly, Commerce's usual practice has been to determine the dumping margin for companies not individually examined by averaging the weighted-average dumping margins for the individually examined respondents, excluding rates that are zero, *de minimis*, or based entirely on facts available.¹⁰ In this review, we have calculated a weighted-average dumping margin for Zhongwei that is above *de minimis* and not based entirely on facts available. Therefore, consistent with Commerce's practice, we have assigned to Qihang and Zhentai the weighted-average dumping margin calculated for Zhongwei as the separate rate for this review.

Changes Since the Preliminary Results

Based on an analysis of the comments received, we made certain calculation changes and revisions to the valuation of certain factors of production since the *Preliminary Results* with respect to Zhongwei's margin calculation. For further details on the changes made since the *Preliminary Results*, see the Issues and Decision Memorandum.¹¹

⁹ See *Ball Bearings and Parts Thereof from France, Germany, Italy, Japan, and the United Kingdom: Final Results of Antidumping Duty Administrative Reviews and Rescission of Reviews in Part*, 73 FR 52823, 52824 (September 11, 2008), and accompanying Issues and Decision Memorandum at Comment 16.

¹⁰ See, e.g., *Preliminary Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 71 FR 77373, 77377 (December 26, 2006), unchanged in *Final Determination of Sales at Less Than Fair Value and Partial Affirmative Determination of Critical Circumstances: Certain Polyester Staple Fiber from the People's Republic of China*, 72 FR 19690 (April 19, 2007).

¹¹ See also, memorandum, "Final Results of the 2015-2016 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic Off-The-Road Tires from the People's Republic of China: Surrogate Value Memorandum," dated concurrently with this notice, and memorandum, "2015-2016 Administrative Review of the Antidumping Duty Order on Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Analysis of the Final Results Margin Calculation for Weihai Zhongwei Rubber Co., Ltd.," dated concurrently with this notice.

In light of changes made since the *Preliminary Results* which altered Zhongwei's margin, we have updated the separate rate that assigned to Qihang and Zhentai.

Final Results of Review

As a result of this administrative review, we determine that the following weighted-average dumping margins exist for the period September 1, 2015, through August 31, 2016:

Exporter	Weighted-Average Dumping Margin (percent)
Weihai Zhongwei Rubber Co., Ltd.	11.87
Qingdao Qihang Tyre Co. Ltd.	11.87
Shandong Zhentai Group Co., Ltd.	11.87

Additionally, as in the *Preliminary Results*, Commerce determines that GTC, Cheng Shin, and Milestone, are part of the China-wide entity.

Disclosure

We intend to disclose the calculations performed regarding these final results within five days of the date of publication of this notice to parties in this proceeding, in accordance with 19 CFR 351.224(b).

Assessment Rates

Commerce shall determine, and CBP shall assess, antidumping duties on all appropriate entries covered by this review pursuant to section 751(a)(2)(C) of the Act and 19 CFR

351.212(b)(1).¹² Commerce intends to issue assessment instructions directly to CBP 15 days after the date of publication of these final results of administrative review.

For Zhongwei, Commerce will calculate importer-specific assessment rates on the basis of the ratio of the total amount of dumping calculated for the importer's examined sales to the total entered value of sales, in accordance with 19 CFR 351.212(b)(1). For customers or importers of Zhongwei for which we do not have entered values, we calculated importer- (or customer-) specific antidumping duty assessment amounts based on the ratio of the total amount of dumping duties calculated for the examined sales of subject merchandise to the total sales quantity of those same sales.¹³ For customers or importers of Zhongwei for which we received entered-value information, we have calculated importer- (or customer-) specific antidumping duty assessment rates based on importer- (or customer-) specific *ad valorem* rates.¹⁴ Where an importer- or (customer-) specific *ad valorem* rate is greater than *de minimis*, Commerce will instruct CBP to collect the appropriate duties at the time of liquidation.¹⁵

For the non-examined separate rate companies, we will instruct CBP to liquidate all appropriate entries at 11.87 percent, which is equal to the weighted-average dumping margin assigned to Zhongwei.

For those entities that are subject to this review that Commerce has determined are part of the China-wide entity (*i.e.*, GTC, Cheng Shin and Milestone), we will instruct CBP to liquidate all appropriate entries at the China-wide rate of 105.31 percent.¹⁶ Pursuant to a refinement in

¹² See *Antidumping Proceeding: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8103 (February 14, 2012) (*NME Antidumping Proceedings*).

¹³ See 19 CFR 351.212(b)(1).

¹⁴ *Id.*

¹⁵ See 19 CFR 351.212(b)(1).

¹⁶ The China-wide rate was determined in *Certain New Pneumatic Off-the-Road Tires from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2012-2013*, 80 FR 20197 (April 15, 2015).

Commerce's non-market economy (NME) practice, for entries that were not reported in the U.S. sales databases submitted by companies individually examined during this review, Commerce will instruct CBP to liquidate such entries at the China-wide rate.¹⁷ In addition, if Commerce determines that an exporter under review had no shipments of subject merchandise, any suspended entries that entered under that exporter's case number (*i.e.*, at that exporter's rate) will be liquidated at the China-wide rate.

Because we are rescinding the new shipper review of Carlstar, we have not made a determination as to whether Carlstar qualifies for a separate rate. Therefore, Carlstar will remain part of the China-wide entity and, accordingly, any entries covered by this new shipper review will be assessed at the China-wide rate.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) for the exporters listed above, the cash deposit rate will be equal to the weighted-average dumping margin identified in the "Final Results" section of this notice, above; (2) for previously investigated or reviewed Chinese and non-Chinese exporters that are not under review in this segment of the proceeding but that received a separate rate in a previous segment, the cash deposit rate will continue to be the exporter-specific rate (or exporter-producer chain rate) published for the most recently completed segment of this proceeding in which the exporter was reviewed; (3) for all Chinese exporters of subject merchandise which have not been found to be entitled to a separate rate, the cash deposit rate will be the China-wide rate of 105.31 percent;

¹⁷ See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011).

and (4) for all non-China exporters of subject merchandise which have not received their own rate, the cash deposit rate will be the rate applicable to the China exporter(s) that supplied that non-China exporter. These cash deposit requirements, when imposed, shall remain in effect until further notice.

Because we did not calculate a dumping margin for Carlstar or grant Carlstar a separate rate in this new shipper review, as noted above, we find that Carlstar continues to be part of the China-wide entity. The cash deposit rate for the China-wide entity is 105.31 percent. These cash deposit requirements shall remain in effect until further notice.

Notification to Importers

This notice serves as a final reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of the antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Administrative Protective Order

This notice also serves as a reminder to parties subject to administrative protective order (APO) of their responsibility concerning the return or destruction of proprietary information disclosed under the APO in accordance with 19 CFR 351.305(a)(3), which continues to govern business proprietary information in this segment of the proceeding. Timely written notification of the return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and terms of an APO is a violation which is subject to sanction.

We are issuing and publishing these final results of administrative review in accordance with sections 751(a)(1) and 777(i) of the Act.

Dated: April 11, 2018.

Gary Taverman,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations,
performing the non-exclusive functions and duties of the
Assistant Secretary for Enforcement and Compliance.

APPENDIX

Issues and Decision Memorandum

I. Summary

II. Background

III. Scope of the Order

IV. Changes since the *Preliminary Results*

V. Discussion of the Issues

Comment 1: Carlstar's Eligibility for a New Shipper Review (NSR)

Comment 2: GTC's Separate Rate Eligibility

A. The Statutory Authority to Issue a Country-Wide Rate

B. The Presumption of Chinese Government Control

C. The Government Control of GTC's Export Activities

D. WTO Obligations

E. A New China-Wide Rate Applicable to GTC

F. Adjustments for Domestic and Export Subsidies Found in the Parallel CVD Review

Comment 3: Surrogate Value for Mixed Rubber

Comment 4: Overhead and Selling, General and Administrative Expenses (SG&A)
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Comment 5: CVD Rates Used to Calculate Double-Remedies Adjustment for Zhongwei

Comment 6: Irrecoverable Value-Added Tax (VAT) Rate for Zhongwei

VI. Recommendation

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